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Sent: Monday, May 15, 2023 10:30 PM

To: Comments <Comments@FDIC.gov>

Subject: [EXTERNAL MESSAGE] RIN 3064-AF93

To Whom It May Concern,

I would like to take a moment to comment on the proposed rule to impose a special assessment to recover losses to the DIF as a result of the recent bank failures. I generally support the proposal and believe the assessment is essentially immaterial to the banks paying it.

However, I would like to ask the FDIC to go a step further and guarantee all transactional (checking account) deposits without limit. It is my belief that an organization or individual need not be a financial analyst when determining where to place their deposits. The placing of a deposit should not be an investment decision, but merely a decision to help facilitate the smooth operation of a business, in the case of an organization. It is neither efficient nor reasonable to expect an organization to spread deposits over dozens of banks just to ensure security and then attempt to make payroll or service accounts payable from dozens of different accounts. Quite frankly, it is ridiculous.

Furthermore, even good analysis cannot protect uninsured deposits as healthy banks can easily fail from an unjustified bank run. We live in a time when the movement of money can take place with the swipe of a finger and a rumor about a bank can move twice as fast online. The vicious loop of a bank rumor, stock price drop, media hype, and deposits fleeing can decimate even a healthy bank in a matter of days, if not hours. I believe that much of this type of hysteria could be prevented simply by increasing the FDIC insurance limit and assessing a prudent insurance premium upon the banks to cover such level of insurance. Given the huge profitability of the banking system and infrequency of failures during normal times, building a sufficient DIF balance should not be particularly difficult. There are banks that have failed that deserved to fail, but I fear that at any moment things could go a step further where fear by unsophisticated depositors cause perfectly healthy banks to fail and contagion spreads. I feel such a situation would represent a preventable, self-induced calamity that is unnecessary and unwise.

Please consider my comments during your deliberations of this rule and future ones as well. Thank you for your time.

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